



3015 (02-09-04)

ANNUAL REPORT

OF

Name: FAIRCHILD MUNICIPAL WATER UTILITY

Principal Office: 230 NORTH FRONT
P.O. BOX 150
FAIRCHILD, WI 54751-0150

For the Year Ended: DECEMBER 31, 2003

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: FAIRCHILD MUNICIPAL WATER UTILITY**Utility Address:** 230 NORTH FRONT

P.O. BOX 150

FAIRCHILD, WI 54751-0150

When was utility organized? 10/21/1969**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: ROSALIE NELSON**Title:** VILLAGE TREASURER**Office Address:**

111 N HILL STREET

P.O. BOX 105

FAIRCHILD, WI 54741

Telephone: (715) 334 - 3388**Fax Number:****E-mail Address:**

Individual or firm, if other than utility employee, preparing this report:

Name:**Title:** CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS**Office Address:** CLIFTON GUNDERSON LLP

103 WEST MCMILLAN

P.O. BOX 428

MARSHFIELD, WI 54449

Telephone: (715) 387 - 3943**Fax Number:** (715) 387 - 6341**E-mail Address:**

President, chairman, or head of utility commission/board or committee:

Name: LEONARD ZIMMERMAN**Title:** VILLAGE PRESIDENT**Office Address:**

312 OAK ST

FAIRCHILD, WI 54741

Telephone: (715) 334 - 2611**Fax Number:****E-mail Address:**

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name:**Title:** CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS**Office Address:** CLIFTON GUNDERSON LLP

103 WEST MCMILLAN

P.O. BOX 428

MARSHFIELD, WI 54449

Telephone: (715) 387 - 3943**Fax Number:** (715) 387 - 6341**E-mail Address:****Date of most recent audit report:** 3/25/2004**Period covered by most recent audit:** YEAR ENDED DECEMBER 31, 2003

Names and titles of utility management including manager or superintendent:

Name: KEN NELSON**Title:** SUPERINTENDENT**Office Address:**

P.O. BOX 150

FAIRCHILD, WI 54741

Telephone: (715) 334 - 3002**Fax Number:****E-mail Address:**

Name of utility commission/committee: VILLAGE BOARD

Names of members of utility commission/committee:

LYNN DAVIS

DARWIN DURST

MARTIN GNABASIK

ROBERT MAYER

DEAN SABIN

EVERETT ZILLMER

LEONARD ZIMMERMAN, VILLAGE PRESIDENT

Is sewer service rendered by the utility? NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?** NO**Date of Ordinance:**

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? NO

Provide the following information regarding the provider(s) of contract services:

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	49,849	47,343	1
Operating Expenses:			
Operation and Maintenance Expense (401)	28,645	32,269	2
Depreciation Expense (403)	8,103	9,596	3
Amortization Expense (404)	0	0	4
Taxes (408)	14,611	6,701	5
Total Operating Expenses	51,359	48,566	
Net Operating Income	(1,510)	(1,223)	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	(1,510)	(1,223)	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	782	1,210	9
Miscellaneous Nonoperating Income (421)	202,000	0	10
Total Other Income	202,782	1,210	
Total Income	201,272	(13)	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	9,263	0	12
Total Miscellaneous Income Deductions	9,263	0	
Income Before Interest Charges	192,009	(13)	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	5,610	1,630	13
Amortization of Debt Discount and Expense (428)	0		14
Amortization of Premium on Debt--Cr. (429)	0		15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0		18
Total Interest Charges	5,610	1,630	
Net Income	186,399	(1,643)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	310,289	311,932	19
Balance Transferred from Income (433)	186,399	(1,643)	20
Miscellaneous Credits to Surplus (434)	322,429	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)		0	24
Total Unappropriated Earned Surplus End of Year (216)	819,117	310,289	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	49,849		49,849	1
Total (Acct. 400):	49,849	0	49,849	
Operation and Maintenance Expense (401):				
Derived	28,645		28,645	2
Total (Acct. 401):	28,645	0	28,645	
Depreciation Expense (403):				
Derived	8,103		8,103	3
Total (Acct. 403):	8,103	0	8,103	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	14,611		14,611	5
Total (Acct. 408):	14,611	0	14,611	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	(1,510)	0	(1,510)	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	9
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
ON TEMPORARY INVESTMENTS	782	0	782	10
Total (Acct. 419):	782	0	782	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water		202,000	202,000	11

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
NONE	0	0	0 12
Total (Acct. 421):	0	202,000	202,000
TOTAL OTHER INCOME:	782	202,000	202,782

MISCELLANEOUS INCOME DEDUCTIONS

Miscellaneous Amortization (425):			
NONE	0	0	0 13
Total (Acct. 425):	0	0	0
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		9,263	9,263 14
NONE	0	0	0 15
Total (Acct. 426):	0	9,263	9,263
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	0	9,263	9,263

INTEREST CHARGES**Interest on Long-Term Debt (427):**

Derived	5,610		5,610 16
Total (Acct. 427):	5,610	0	5,610

Amortization of Debt Discount and Expense (428):

NONE	0		0 17
Total (Acct. 428):	0	0	0

Amortization of Premium on Debt--Cr. (429):

NONE	0		0 18
Total (Acct. 429):	0	0	0

Interest on Debt to Municipality (430):

Derived	0		0 19
Total (Acct. 430):	0	0	0

Other Interest Expense (431):

Derived	0		0 20
Total (Acct. 431):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 21
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	5,610	0	5,610
NET INCOME:	(6,338)	192,737	186,399
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	310,289	0	310,289 22
Total (Acct. 216):	310,289	0	310,289
Balance Transferred from Income (433):			
Derived	(6,338)	192,737	186,399 23
Total (Acct. 433):	(6,338)	192,737	186,399
Miscellaneous Credits to Surplus (434):			
CLOSE OUT OF CONTRIBUTION IN AID	0	322,429	322,429 24
Total (Acct. 434):	0	322,429	322,429
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 25
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 26
Total (Acct. 436)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	303,951	515,166	819,117

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	49,849	0	0	0	49,849	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained	425				425	5
Other Increases or (Decreases) to Operating Revenues - Specify: NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	49,424	0	0	0	49,424	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,069,123	723,353	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	141,561	136,695	2
Net Utility Plant	927,562	586,658	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	11,775	91	7
Total Other Property and Investments	11,775	91	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	190,447	184,459	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	10,713	10,533	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	45,878	45,682	14
Materials and Supplies (150)	400	400	15
Prepayments (165)	1,466	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	248,904	241,074	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	0	0	
Total Assets and Other Debits	1,188,241	827,823	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	18,544	18,544	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	819,117	310,289	23
Total Proprietary Capital	837,661	328,833	
LONG-TERM DEBT			
Bonds (221)	327,073	137,712	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	327,073	137,712	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	6,244	1,728	28
Payables to Municipality (233)	13,474	6,671	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	3,789	450	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	23,507	8,849	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0	0	36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	0	352,429	38
Total Liabilities and Other Credits	1,188,241	827,823	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	723,353	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	514,694	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	554,429	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	1,069,123	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	102,298	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	39,263	0	0	0	12
Total Accumulated Provision	141,561	0	0	0	
Net Utility Plant	927,562	0	0	0	

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY
(ACCT. 110.1)**

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	136,695				136,695	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	8,103				8,103	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	447				447	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	8,550	0	0	0	8,550	13
Debits during year						14
Book cost of plant retired	42,947				42,947	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	42,947	0	0	0	42,947	19
Balance end of year (110.1)	102,298	0	0	0	102,298	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	2.00%					22

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 110.2)

Depreciation Accruals (Credits) during the year (110.2):

1. Report the amounts charged to Depreciation Expense (426).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.2)					0	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	9,263				9,263	4
Accruals charged other						5
accounts (specify):						6
					0	7
Salvage					0	8
Other credits (specify):						9
Est. deprec on contrib plnt 1/1/03	30,000				30,000	10
Total credits	39,263	0	0	0	39,263	11
Debits during year						12
Book cost of plant retired	0				0	13
Cost of removal					0	14
Other debits (specify):						15
					0	16
Total debits	0	0	0	0	0	17
Balance end of year (110.2)	39,263	0	0	0	39,263	18
Composite Depreciation Rate?	Yes					19
If yes, what is the rate?	2.00%					20

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year	425	2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	425	
Deductions:		
Accounts written off during the year: Utility Customers	425	5
Accounts written off during the year: Others		6
Total accounts written off	425	
Balance end of year	0	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
Electric Utility							
Fuel for generation					0	0	1
Other					0	0	2
Total Electric Utility					0	0	

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	400	400	2
Sewer utility		0	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
Total Materials and Supplies	400	400	

**UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT
(ACCTS. 181 AND 251)**

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
<hr/>				
Unamortized debt discount & expense (181)				
NONE				1
Total			<u>0</u>	
<hr/>				
Unamortized premium on debt (251)				
NONE				2
Total			<u>0</u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	18,544	1
Changes during year (explain):		
NONE		2
Balance end of year	18,544	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
ENVIROMENTAL IMPROVEMENT FUND	04/24/2002	05/01/2021	1.65%	138,073	1
WATER MORTGAGE REVENUE BOND	07/31/2003	07/01/2043	4.25%	189,000	2
Total Bonds (Account 221):				327,073	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)
--	----------------------------------	--	----------------------------------	---

NONE

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	14,611	2
Charged electric department expense		3
Charged sewer department expense	350	4
Other (explain):		
NONE		5
Total Accruals and other credits	14,961	
Taxes paid during year:		
County, state and local taxes	14,550	6
Social Security taxes	358	7
PSC Remainder Assessment	53	8
Other (explain):		
NONE		9
Total payments and other debits	14,961	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
ENVIROMENTAL IMPROVEMENT FUND	450	2,221	2,271	400	1
WATER MORTGAGE REVENUE BOND		3,389	0	3,389	2
Subtotal	450	5,610	2,271	3,789	
Advances from Municipality (223)					
NONE	0			0	3
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
NONE	0			0	4
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	450	5,610	2,271	3,789	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
WATER REPLACEMENT FUND	5,520	3
WATER CHECKING-PROJECT	6,255	4
Total (Acct. 125):	11,775	
Notes Receivable (141):		
NONE		5
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	10,713	6
Electric		7
Sewer (Regulated)		8
Other (specify):		
NONE		9
Total (Acct. 142):	10,713	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		10
Merchandising, jobbing and contract work		11
Other (specify):		
NONE		12
Total (Acct. 143):	0	
Receivables from Municipality (145):		
DUE FROM SEWER	45,878	13
Total (Acct. 145):	45,878	
Prepayments (165):		
PREPAID EXPENSES	1,466	14
Total (Acct. 165):	1,466	
Extraordinary Property Losses (182):		
NONE		15
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)		Balance End of Year (b)
Other Deferred Debits (183):		
NONE		16
Total (Acct. 183):		0
Payables to Municipality (233):		
DUE TO VILLAGE-VARIOUS 2003 EXPENSE AND TAX EQUIVALENT		13,474 17
Total (Acct. 233):		13,474
Other Deferred Credits (253):		
NONE		18
Total (Acct. 253):		0

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (100.1)	441,049	0	0	0	441,049	1
Materials and Supplies	400	0	0	0	400	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	119,496	0	0	0	119,496	4
Customer Advances for Construction					0	5
NONE					0	6
Average Net Rate Base	321,953	0	0	0	321,953	
Net Operating Income	(1,510)	0	0	0	(1,510)	7
Net Operating Income as a percent of						
Average Net Rate Base	-0.47%	N/A	N/A	N/A	-0.47%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

ADDITIONS TO PLANT THROUGH CONSTRUCTION PROJECT FINANCED VIA LOANS
AND GRANTS.

2. Leaseholder changes.

NONE

3. Extensions of service.

NO TRUE EXTENSION OF SERVICE, CONSTRUCTION PROJECT MERELY REPLACED
EXISTING OLD SERVICES AND ADDED ONLY ONE NET NEW SERVICE.

4. Estimated changes in revenues due to rate changes.

NONE

5. Obligations incurred or assumed, excluding commercial paper.

LOAN TAKEN OUT WITH RURAL DEVELOPMENT ON JULY 31, 2003 AT 4.25%
INTEREST RATE. 40 YEAR REPAYMENT SCHEDULE. (\$189,000)

FINAL DRAW ON STATE OF WISCONSIN ENVIRONMENTAL IMPROVEMENT FUND
LOAN IN THE AMOUNT OF \$6591.

6. Formal proceedings with the Public Service Commission.

NONE

7. Any additional matters.

NONE

FINANCIAL SECTION FOOTNOTES

Cover Sheet (Page 0)

General footnotes

VILLAGE BOARD
VILLAGE OF FAIRCHILD
FAIRCHILD, WISCONSIN

WE HAVE COMPILED FAIRCHILD MUNICIPAL WATER UTILITY ANNUAL REPORT INCLUDED IN THE ACCOMPANYING PRESCRIBED FORM FOR THE VILLAGE OF FAIRCHILD, WISCONSIN AS OF DECEMBER 31, 2003 AND FOR THE YEAR THEN ENDED, IN ACCORDANCE WITH STATEMENTS ON STANDARDS FOR ACCOUNTING AND REVIEW SERVICES ISSUED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS.

OUR COMPILATION WAS LIMITED TO PRESENTING IN THE FORM PRESCRIBED BY THE PUBLIC SERVICE COMMISSION INFORMATION THAT IS THE REPRESENTATION OF MANAGEMENT. WE HAVE NOT AUDITED OR REVIEWED THE REPORT REFERRED TO ABOVE AND, ACCORDINGLY, DO NOT EXPRESS AN OPINION OR ANY OTHER FORM OF ASSURANCE ON IT.

THIS REPORT IS PRESENTED IN ACCORDANCE WITH THE REQUIREMENTS OF THE PUBLIC SERVICE COMMISSION WHICH DIFFER FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. ACCORDINGLY, THIS REPORT IS NOT DESIGNED FOR THOSE WHO ARE NOT INFORMED ABOUT SUCH DIFFERENCES.

CLIFTON GUNDERSON LLP

MARSHFIELD, WISCONSIN
MARCH 25, 2004

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	352,429	0	0	0	0	352,429	1
Add credits during year:							
NONE						0	2
Deduct charges (specify):							
Closed January 1, 2003 per Docket 05-US-105	352,429					352,429	3
Balance End of Year	0	0	0	0	0	0	

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	46,586	45,471	1
Total Sales of Water	46,586	45,471	
Other Operating Revenues			
Forfeited Discounts (470)	311	894	2
Other Water Revenues (474)	2,952	978	3
Amortization of Construction Grants (475)		0	4
Total Other Operating Revenues	3,263	1,872	
Total Operating Revenues	49,849	47,343	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	18,601	18,006	5
General Operating Expenses (680-690)	10,044	14,263	6
Total Operation and Maintenance Expenses	28,645	32,269	
Other Operating Expenses			
Depreciation Expense (403)	8,103	9,596	7
Amortization Expense (404)		0	8
Taxes (408)	14,611	6,701	9
Total Other Operating Expenses	22,714	16,297	
Total Operating Expenses	51,359	48,566	
NET OPERATING INCOME	(1,510)	(1,223)	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	190	6,673	23,730	4
Commercial	25	1,887	5,925	5
Industrial				6
Total Metered Sales to General Customers (461)	215	8,560	29,655	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		15,449	8
Other Sales to Public Authorities (464)	8	229	1,482	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	224	8,789	46,586	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
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NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	15,449	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	15,449	
Forfeited Discounts (470):		
Customer late payment charges	311	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	311	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	1,153	7
Other (specify):		
OTHER MISC	1,799	8
Total Other Water Revenues (474)	2,952	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	5,603	5,480	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	2,382	2,641	3
Chemicals (630)	7,488	5,976	4
Supplies and Expenses (640)	1,683	1,103	5
Repairs of Water Plant (650)	1,445	2,806	6
Transportation Expenses (660)		0	7
Total Plant Operation and Maintenance Expenses	18,601	18,006	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	2,083	1,950	8
Office Supplies and Expenses (681)	2	18	9
Outside Services Employed (682)	4,913	9,232	10
Insurance Expense (684)	1,510	1,319	11
Employees Pensions and Benefits (686)	414	412	12
Regulatory Commission Expenses (688)	150	0	13
Miscellaneous General Expenses (689)	547	1,139	14
Uncollectible Accounts (690)	425	193	15
Total General Operating Expenses	10,044	14,263	
Total Operation and Maintenance Expenses	28,645	32,269	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent		14,550	6,576	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		350	333	2
Net property tax equivalent		14,200	6,243	
Social Security		358	419	3
PSC Remainder Assessment		53	39	4
Other (specify): NONE			0	5
Total tax expense		14,611	6,701	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Eau Claire				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.245495				3
County tax rate	mills		4.335871				4
Local tax rate	mills		3.248837				5
School tax rate	mills		15.301677				6
Voc. school tax rate	mills		2.095897				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		25.227777				10
Less: state credit	mills		2.003153				11
Net tax rate	mills		23.224624				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		3.248837				14
Combined School Tax Rate	mills		17.397574				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		20.646411				17
Total Tax Rate	mills		25.227777				18
Ratio of Local and School Tax to Total	dec.		0.818400				19
Total tax net of state credit	mills		23.224624				20
Net Local and School Tax Rate	mills		19.007031				21
Utility Plant, Jan. 1	\$	723,353	723,353				22
Materials & Supplies	\$	400	400				23
Subtotal	\$	723,753	723,753				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	723,753	723,753				26
Assessment Ratio	dec.		1.057700				27
Assessed Value	\$	765,514	765,514				28
Net Local & School Rate	mills		19.007031				29
Tax Equiv. Computed for Current Year	\$	14,550	14,550				30
Tax Equivalent per 1994 PSC Report	\$	6,576					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	14,550					34

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	2,815		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	2,815	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	76,262		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	76,262	0	
PUMPING PLANT			
Land and Land Rights (320)	5,286		12
Structures and Improvements (321)	329,603	1,465	13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	48,685		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	383,574	1,465	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	4,046		23
Total Water Treatment Plant	4,046	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			2,815	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	2,815	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)		(46,823)	29,439	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	(46,823)	29,439	
PUMPING PLANT				
Land and Land Rights (320)			5,286	12
Structures and Improvements (321)		(222,177)	108,891	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			48,685	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	(222,177)	162,862	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			4,046	23
Total Water Treatment Plant	0	0	4,046	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	513		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	30,040	68,485	26
Transmission and Distribution Mains (343)	138,444	90,379	27
Fire Mains (344)	0		28
Services (345)	31,583	7,688	29
Meters (346)	35,668	880	30
Hydrants (348)	12,519	21,340	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	248,767	188,772	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	4,369		38
Other Tangible Property (390)	0		39
Total General Plant	4,369	0	
Total utility plant in service directly assignable	719,833	190,237	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	719,833	190,237	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			513 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)	30,040		68,485 26
Transmission and Distribution Mains (343)	9,478	(67,586)	151,759 27
Fire Mains (344)			0 28
Services (345)	2,679	(15,843)	20,749 29
Meters (346)	750		35,798 30
Hydrants (348)			33,859 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	42,947	(83,429)	311,163
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			4,369 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	4,369
Total utility plant in service directly assignable	42,947	(352,429)	514,694
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	42,947	(352,429)	514,694

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)			1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	<u>0</u>	<u>0</u>	
 SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			4
Structures and Improvements (311)			5
Collecting and Impounding Reservoirs (312)			6
Lake, River and Other Intakes (313)			7
Wells and Springs (314)			8
Infiltration Galleries and Tunnels (315)			9
Supply Mains (316)			10
Other Water Source Plant (317)			11
Total Source of Supply Plant	<u>0</u>	<u>0</u>	
 PUMPING PLANT			
Land and Land Rights (320)			12
Structures and Improvements (321)			13
Boiler Plant Equipment (322)			14
Other Power Production Equipment (323)			15
Steam Pumping Equipment (324)			16
Electric Pumping Equipment (325)			17
Diesel Pumping Equipment (326)			18
Hydraulic Pumping Equipment (327)			19
Other Pumping Equipment (328)			20
Total Pumping Plant	<u>0</u>	<u>0</u>	
 WATER TREATMENT PLANT			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)			23
Total Water Treatment Plant	<u>0</u>	<u>0</u>	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)		46,823	46,823	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	46,823	46,823	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)		222,177	222,177	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			0	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	222,177	222,177	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			0	23
Total Water Treatment Plant	0	0	0	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			24
Structures and Improvements (341)			25
Distribution Reservoirs and Standpipes (342)		73,730	26
Transmission and Distribution Mains (343)		96,960	27
Fire Mains (344)			28
Services (345)		8,080	29
Meters (346)			30
Hydrants (348)		23,230	31
Other Transmission and Distribution Plant (349)			32
Total Transmission and Distribution Plant	0	202,000	
GENERAL PLANT			
Land and Land Rights (370)			33
Structures and Improvements (371)			34
Office Furniture and Equipment (372)			35
Computer Equipment (372.1)			36
Transportation Equipment (373)			37
Other General Equipment (379)			38
Other Tangible Property (390)			39
Total General Plant	0	0	
Total utility plant in service directly assignable	0	202,000	
Common Utility Plant Allocated to Water Department			40
Total utility plant in service	0	202,000	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			73,730 26
Transmission and Distribution Mains (343)		67,586	164,546 27
Fire Mains (344)			0 28
Services (345)		15,843	23,923 29
Meters (346)			0 30
Hydrants (348)			23,230 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	83,429	285,429
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	352,429	554,429
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	352,429	554,429

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			911	911	1
February			998	998	2
March			938	938	3
April			749	749	4
May			866	866	5
June			3,999	3,999	6
July			3,063	3,063	7
August			937	937	8
September			835	835	9
October			915	915	10
November			804	804	11
December			750	750	12
Total annual pumpage	0	0	15,765	15,765	
Less: Water sold				8,789	13
Volume pumped but not sold				6,976	14
Volume sold as a percent of volume pumped				56%	15
Volume used for water production, water quality and system maintenance				6,000	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				6,000	19
Volume pumped but unaccounted for				976	20
Percent of water lost				6%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				293	23
Date of maximum: 6/17/2003					24
Cause of maximum:					25
Tower was down					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				8	26
Date of minimum: 3/30/2003					27
Total KWH used for pumping for the year				23,659	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
WELL (FAIRCHILD)	N/A	206	12	45,000	Yes	1
2ND STREET WELL	WELL #2	177	18	259,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	WELL #1	WELL #2		1
Location	FAIRCHILD	2ND STREET		2
Purpose	P	P		3
Destination	R	R		4
Pump Manufacturer	SACOUSE	GOULDS		5
Year Installed	1970	2002		6
Type	VERTICAL TURBINE	CENTRIFUGAL		7
Actual Capacity (gpm)	200	180		8
Pump Motor or Standby Engine Mfr	GENERAL ELECTRIC	US MOTORS		9
Year Installed	1970	2002		10
Type	ELECTRIC	ELECTRIC		11
Horsepower	20	20		12

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				24
Horsepower				25

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	N/A		1
RESERVOIRS, STANDPIPES			2
OR ELEVATED TANKS			3
Type: R (reservoir), S (standpipe)			4
or ET (elevated tank)	S		5
Year constructed	2003		6
Primary material (earthen, steel,			7
concrete, other)	OTHER		8
Elevation difference in feet			9
(See Headnote 3.)	60		10
Total capacity in gallons (actual)	137,000		11
WATER TREATMENT PLANT			12
Disinfection, type of equipment			13
(gas, liquid, powder, other)	LIQUID		14
Points of application			15
(wellhouse, central facilities,			16
booster station, other)	WELLHOUSE		17
Filters, type (gravity, pressure,			18
other, none)	NONE		19
Rated capacity of filter plant			20
(m.g.d.) (note: 1,200,000 gal/day			21
= 1.2 m.g.d.)	0.0000		22
Is a corrosion control chemical			23
used (yes, no)?	Y		24
Is water fluoridated (yes, no)?	N		25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet							
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)
M	D	3.000	6,022	0	2,670	0	3,352
M	D	6.000	20,987	0	0	0	20,987
P	D	6.000	0	3,581	0	0	3,581
M	S	8.000	608	0	0	0	608
Total Within Municipality			27,617	3,581	2,670	0	28,528
Total Utility			27,617	3,581	2,670	0	28,528

1
2
3
4

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	216	0	19	0	197		1
M	1.000	3	20	0	0	23		2
M	2.000	2	0	0	0	2		3
M	3.000	3	0	0	0	3		4
Total Utility		224	20	19	0	225	0	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	234	12	15	0	231	0	1
1.000	2	0	0	0	2	0	2
1.250	1	0	0	0	1	0	3
1.500	5	0	0	0	5	2	4
2.000	3	0	0	0	3	2	5
3.000	2	0	0	0	2	2	6
4.000	1	0	0	0	1	1	7
Total:	248	12	15	0	245	7	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	188	18	0	5	3	17	231	1
1.000	0	0	0	2	0	0	2	2
1.250	0	0	0	0	0	1	1	3
1.500	0	3	0	1	1	0	5	4
2.000	0	2	0	0	1	0	3	5
3.000	0	1	0	1	0	0	2	6
4.000	0	0	0	0	1	0	1	7
Total:	188	24	0	9	6	18	245	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	24	7			31	1
Within Municipality	0				0	2
Total Fire Hydrants	24	7	0	0	31	
Flushing Hydrants						
	8				8	3
Total Flushing Hydrants	8	0	0	0	8	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.

Number of hydrants operated during year:	39
Number of distribution system valves end of year:	25
Number of distribution valves operated during year:	25

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

For values that represent an increase or a decrease when compared to the previous year of greater than 30%, but not less \$2,000, please explain.

A/C 682

2002 INCLUDED A LARGE TESTING FEE WHICH WAS NOT REQUIRED IN 2003

Water Utility Plant in Service --Plant Financed by Utility or Municipality-- (Page W-08)

If Additions for Accounts OTHER than 316, 343, 345, 346 and 348 exceed \$10,000, please explain. If applicable, provide construction authorization.

NEW WATER TOWER CONSTRUCTED DURING 2003

If Retirements for Accounts OTHER than 316, 343, 345, 346 or 348 exceed \$10,000, please explain.

OLD WATER TOWER REMOVED DURING 2003--(ACCOUNT 342)

If Adjustments for any account are nonzero, please explain.

ADJUSTMENTS WITHIN COLUMN F REFLECT THE ADJUSTMENT REQUIRED DUE TO DOCKET 05-US-105. ALLOCATION OF CONTRIBUTED CAPITAL REFLECTS ALLOCATION BASED ON RECENT PROJECTS AND A PRORATING BETWEEN MAINS AND SERVICES FOR THE PRE 2001 CONTRIBUTIONS.

Water Utility Plant in Service --Plant Financed by Contributions-- (Page W-10)

If Additions for Accounts OTHER than 316, 343, 345, 346 and 348 exceed \$10,000, please explain.

ACCOUNT 342

ADDITION REFLECTS CONSTRUCTION OF NEW WATER TOWER, PARTLY FINANCED THROUGH GRANTS.

If Adjustments for any account are nonzero, please explain.

ALL AMOUNTS WITHIN ADJUSTMENTS COLUMN REFLECT THE ALLOCATION OF PLANT DUE TO DOCKET 05-US-105.

Water Mains (Page W-17)

If Added During Year column total is greater than zero, please explain financing following the criteria listed in the schedule headnote No. 5.

Mains were added as part of overall construction project during the year.
Financing was through grants and loans obtained by the Utility.

Water Services (Page W-18)

If net additions are greater than zero, please explain financing by following criteria listed in schedule headnote No. 3.

Services were replaced as a part of over all construction project done during the year. Financing was done through grants and loans received by the utility
